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The New York Herald, with all that was
best of The Sun intertwined with it, and
the whole revitalized, is a bigger and better
and sounder newspaper than ever before.

IRISH FREE STATE TO ENTER THE BRITISH COMMONWEALTH; ULSTER HAS OPTION TO WITHDRAW; DISTRUST IN BELFAST; HARDING ASKS CONGRESS TO HURRY TARIFF AND END STRIKES

PRESIDENT SENSES DANGER IN AMERICAN VALUATION SCHEME

Message of Vital Concern to
Congress Deals With
Home Affairs.

ASKS A WAR REFUND LAW

Aiding Marine and Farmers.
Labor Peace and Business
Revival Loom Strong.

THE text of President Harding's message to the Sixty-seventh Congress, delivered yesterday, will be found on Pages 3 and 7.

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 6.

President Harding, in his annual message, delivered in person before a joint session of the House and Senate to-day, outlined a definite policy on vital domestic problems, including the adoption of a permanent tariff law, and indicated his belief that the arms conference will accomplish results which will gratify the whole world.

The President's message was heard not alone by members of Congress and citizens of this country. Many foreign diplomats, including all the delegates to the armament conference, were present in the House chamber. The message dealt in part with questions which affect European nations, especially the plan of funding the war debts owed this country, and the method by which this nation hopes to spur on the war torn nations toward normal conditions.

Because of its far reaching effect on all industries the President is anxious to have the new tariff bill adopted as speedily as possible. His threat of the suggestion that as a means to avoid the delays and vexations in Congress incident to the passage of such a measure it would be a wise plan to grant more power to the Tariff Commission. He argued that that body could prepare a scientific tariff schedule, but owing to the unsettled condition of the business world, not only in this country but in Europe, he urged that the tariff schedule be adopted to raise or lower the tariff schedules within specified limits to stabilize business and avoid injustices.

Suggestions of Importance.

In addition to the tariff recommendations there are three suggestions of greatest importance to the nation. These are the President's proposal for the control of national strikes and Federal activity in dealing with industrial warfare; lending a strong arm to American shipping and creating cooperative and distributing agencies for helping the American farmer.

The President's comment on the American valuation plan was followed with keen interest. His qualified approval of the idea has seriously endangered its chance of adoption.

While Mr. Harding did not discuss in detail the plan to fund the foreign war debt, his suggestions that the President be authorized to go ahead with negotiations probably will be carried out at an early date by Congress, and that mooted subject will be started on the way to a satisfactory solution.

His recommendation that Congress appropriate liberally for food and seed wheat to be sent to the starving millions in Russia also stirred his audience to enthusiastic clapping.

The scene in the House chamber when the President delivered his message was inspiring and unusual. In the front row sat the foreign diplomats and delegates to the arms conference. In a small section to themselves on the Republican side were seated the members of the Cabinet, and the members of the Senate occupied the seats right back of the foreigners.

Establishing a precedent, fifty foreign correspondents attending the arms conference occupied chairs on the floor in the vacant space back of the regular seats on the Democratic side.

Women Dominate Galleries.

The galleries were filled to overflowing by an animated group, gaily dressed women predominating, giving color and picturesqueness to the scene. Of course, the gallery occupied by Mrs. Harding was the cynosure of all eyes. She was accompanied by the Under Secretary of State and Mrs. Henry P. Fletcher. Brigadier General and Mrs. Miss Laura Harlan and Judson C. Welliver. Mrs. Alice Longworth sat a few seats back of Mrs. Harding.

Shortly after 11 o'clock the gallery doors were thrown open and there was a grand rush for seats by the holders of tickets. Soon every available seat was taken and crowds stood at the open doors. The Cabinet members, headed by Secretary of State Hughes, arrived at 12:15 and received a royal welcome from the members of the House and the crowd in the galleries. A few minutes later the foreign diplomats and delegates to the arms conference arrived, which was the occasion for another outburst of applause.

Senator Cummins (Iowa), president

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CHIEF POINTS IN HARDING'S SECOND CONGRESS MESSAGE

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 6.

IN his address to Congress to-day President Harding advocated: Early enactment of a permanent but flexible tariff. This, with increased power for the Tariff Commission, would enable the President to proclaim additional duties to meet conditions which Congress may designate.

A grant of authority to negotiate for the funding and for settlement of defaulted interest on the war loans to foreign countries.

Revision of the Jones shipping law, since it is found impracticable to carry out the provision for a denouement of commercial treaties. A new plan for the expansion of the merchant marine will be submitted soon to Congress.

Continued economy and efficiency in the Government to lighten the tax burden.

Consideration of an amendment to the Constitution to stop the drift of capital into non-taxable securities.

A code and charter defining the rights of employer and employee which would enable the setting up of industrial tribunals to end the strike, the lockout and the boycott and thus protect the superior interest of the community.

Fostering of cooperative marketing to better the condition of the farmer and to stimulate agriculture.

Reclamation of 20,000,000 acres of public land.

Government participation in the relief of the famine provinces of Russia by appropriation of 10,000,000 bushels of corn and 1,000,000 bushels of seed grain to the American Relief Association.

B. R. T. ASSETS DROP IN OFFICIAL INQUIRY

Transit Commission Reveals
Wide Difference in Book
Values and Real Ones.

FIVE INVESTIGATIONS ON LABOR BUILDING, POLICE SEAN-

dal and Market Graft All
Under Investigation.

Here are the principal developments in the five municipal and State investigations which were in session here yesterday:

The Transit Commission began its investigation of the Brooklyn Rapid Transit Company and subsidiary lines and companies, seeking to show that its mistakes have been similar in kind, if less glaring in degree, than those revealed during the inquiry into the affairs of the Interborough. The testimony dealt with the dividends of the company, its methods of listing assets, and in instances of what the attorney for the commission alleges was over capitalization.

The Lockwood committee investigating housing and building situations went into the attitude of labor organizations whose restrictions have made labor less efficient and added to the cost of buildings. The committee also continued its efforts to get at the facts concerning the collection and disbursement of the funds of Local No. 3 of the International Brotherhood of Electrical Workers.

The session of the Charter of Revision Commission was enlivened by the action of Comptroller Charles L. Craig, who continued his efforts to get the commission to go on record at once on matters which he declared were important. One of these was a resolution which he offered empowering the city to operate a public utility for which it now has authority to grant a franchise. He also tried to put through a resolution submitting a new charter to a referendum.

Another step forward in the attempt of the Mayor's committee to substantiate the charges of its chief counsel that the city has lost \$15,000,000 through grafting in pier leases was made by the introduction of testimony showing that the Kerr Steamship Company paid \$34,000, which was a bonus to a man who got a lease on a pier at Thirty-third street, Brooklyn.

Half a dozen policemen testified before Commissioner of Accounts David Hiramsheld that they had no knowledge of the alleged \$25,000 fund to corrupt the civil service examinations and obtain high ratings in the contests for reappointments. The principal witness before the transit inquiry was Howard Abel, comptroller of the B. R. T. In examining him Clarence J. Shearn, chief counsel for the commission, followed much the same course that he had pursued with Mr. Gaynor, auditor for the Interborough. Mr. Shearn pointed to watered stock and inflated values of subsidiary companies carried as important items on the assets side of the B. R. T. balance sheet. He suggested that artificial surpluses had been thus expended to disburse seemingly justifying the distribution of dividends which better judgment would have withheld, especially

Continued on Page Twelve.

WARRANT IS ISSUED FOR CHAS. W. MORSE

Information Sworn Out to
Await the Arrival of Voy-
ager From France.

SONS GIVE ASSURANCES

Say Father Will Hurry to
Washington to Prepare
His Defence.

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 6.

A general warrant for the arrest of Charles W. Morse on allegations involving conspiracy and embezzlement has been issued in the District of Columbia at the request of Peyton Gordon, Federal District Attorney.

The sons of Mr. Morse here have made public a letter written by their attorney to Mr. Gordon, offering all papers and records for any investigation desired and giving assurance that Mr. Morse would hurry to Washington and prepare his defence.

The warrant was requested, it is understood, to insure the custody of Mr. Morse if this becomes necessary. In the present situation it is possible it may not be served. It has not been presented to the Marshal in Washington.

Should officials determine to arrest Mr. Morse when he lands in New York it will be necessary to obtain a Federal warrant in the New York jurisdiction based on the Washington warrant and then take him before a United States Commissioner for removal proceedings.

It became known to-day that Mr. Morse was released from the Atlanta Penitentiary by President Taft largely on the motion of counsel for the creditors of the Metropolitan Steamship Company. The lawyers needed his testimony in an equity suit against the New Haven Railroad, which was accused of selling two of the Metropolitan's steamships.

Mr. Taft, remembering a Cincinnati case in which a Cincinnati banker recovered remarkably from a supposedly incurable case of Bright's disease immediately after being released, was moved to action in the case of Mr. Morse. The prisoner was examined by boards of physicians and then by an army board. He was removed from the penitentiary to Fort McPherson, where he was supposed to be in a dying condition. Another army board passed on his case and said that Mr. Morse should be removed to Hot Springs, Ark., for confinement or he would die.

When the time came to remove Mr. Morse, the physicians held that it was impossible to move him from Fort McPherson without causing his death. These reports were made by three different boards. On this showing he was ordered released. He went to New York and then to Germany and returned much improved. He went again to Germany for a long stay and apparently recovered.

Meantime counsel for the Metropolitan Steamship Company creditors could get no interest from him in their case. He refused to help prepare it although he had operated the Metropolitan Company and had a big interest at stake. It develops that official inquiry was made of physicians who acted in the Morse case and it was held that a man might possibly put himself in the condition in which Mr. Morse was when he was released but that he was so

Continued on Page Eight.

ULSTER IS PUZZLED; DISLIKES OATH BUT MAY NOT REJECT IT

Col. Spender Declares Much
Depends on South Ire-
land's Attitude.

CABINET MEETS TO-DAY

North Willing to Cooperate
With Sinn Fein if Latter
Is Really 'Loyal.'

BELFAST, Dec. 6 (Associated Press).—

A statement from the Ulster Premier on the Irish settlement will be delayed for some days. The news that a treaty between England and Ireland had been concluded has not pleased Belfast. When Parliament assembled tremendous excitement prevailed, there was great curiosity mixed with anxiety as to how Ulster would fare under the treaty. The general feeling in Belfast to-day was rather of doubt and distrust.

Sir James Craig announced that the treaty had been received, but he had not read it, and the House adjourned after transacting routine business.

The Cabinet assembled immediately to consider the new situation, and later, Col. Spender, Secretary of the Cabinet, formally announced that another Cabinet Council would be held to-morrow to continue the discussion.

Ulster's Feelings Defined.

On Thursday a party meeting of Government supporters will be convened to consider the settlement. Col. Spender pointed out that there were a great many points requiring elucidation, which might necessitate further correspondence before any decision could be made by the Ulster Cabinet.

In reply to questions, he declared that if the South were going to continue hostile "it would be better to have it out now," but if the South really intended to act with friendliness, that would put a different complexion on affairs. He admitted that the Ulster Government was one of "puzzlement." He thought that details were likely to afford more trouble than the broad outlines. Ulster disliked the form of oath proposed, but if it was acceptable to the British people Ulster would not object.

The Belfast News Letter (Unionist) withholds judgment "until the scheme is analyzed and the full effect of all the provisions, separately and collectively, upon the future of northern Ireland are ascertained."

Interpretation Needed.

"In all probability," the newspaper continues, "the conference between the Imperial Cabinet and the Northern Cabinet will be necessary. The Parliament and people of northern Ireland must know beyond all doubt what the Imperial Parliament's interpretation of the provisions is. The interpretation is taken by the Northern Parliament."

The paper adds that it will be difficult for the Northern Parliament to accept revision of the Ulster boundaries by a commission; it declares that there will be general objection to the proposed basis of revision, adding:

"Counting heads is not the only factor in the matter, and in our opinion the North cannot agree to the proposed form of settlement—we say, not if it cannot be adjusted; but as it stands it cuts right across a first principle every Northern Unionist holds."

The reactionary political leaders are said to regard any compromise between the British and the Northern Cabinet as defeat for Ulster. The views of the parties to the peace negotiations, they say, are so irreconcilable that it is difficult to imagine that what would appeal to the Sinn Fein would be regarded as satisfactory to Ulster.

The Northern Whig says that Ulster's position has been repeatedly defined, and that, in all events, the concession has been made by the Ulster Government that the consequences may be, the province cannot be a party to any further weakening of the links that bind her to Great Britain.

The Irish News, organ of Joseph Devlin, says: "Men who had the will to discover the basis of an agreement have evidently discovered it. We know nothing of the terms at this hour. It is too much to look for a wholly satisfactory settlement. It is enough to know that an agreement has been arrived at and that it is not a mere concession."

NEW YORK POST OFFICE RECEIPTS GROW \$79,086

Total in November \$4,726,830
Shows Healthy Business.

Special Despatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 6.

The New York post office receipts rose \$79,086 in November above the figures for November of last year.

The Postmaster-General's tabulation to-day showed total receipts in November in New York city to be \$4,726,830. Postal officials said the increase in postal business of New York is a healthy business sign. Greater business for commercial enterprise, they say, is at once reflected in increased receipts at the larger post office.

Deerfoot Farm Salesmen. Made of best materials and with the greatest care at the Farm at Southborough, Mass. Get the genuine—4c.

FREEDOM WITHIN THE EMPIRE UNDER TERMS OF IRISH TREATY

Representative of Crown Accepted With Oath of Allegiance—Public Debt Assumed Subject to Setoff—Coast Defence and Harbor Facilities Provided
For—Freedom of Religion Agreed To—Ports Open to Imperial Navy
With Provision for Convention in Five Years.

LONDON, Dec. 6 (Associated Press).—The articles of agreement in the "Treaty Between Great Britain and Ireland," as the agreement reached last night is designated, are textually as follows:

Article I.

Ireland shall have the same constitutional status in the community of nations known as the British Empire as the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand and the Union of South Africa, with a parliament having powers to make laws for peace and order and good government in Ireland, and an executive responsible to that Parliament, and shall be styled and known as the Irish Free State.

Article II.

Subject to provisions hereinafter set out, the position of the Irish Free State in relation to the Imperial Parliament, the Government and otherwise shall be that of the Dominion of Canada, and the law, practice and constitutional usage governing the relationship of the Crown, or representative of the Crown, and the Imperial Parliament to the Dominion of Canada shall govern their relationship to the Irish Free State.

Article III.

A representative of the Crown in Ireland shall be appointed in like manner as the Governor-General of Canada and in accordance with the practice observed in making such appointments.

Article IV.

The oath to be taken by the members of the Parliament of the Irish Free State shall be in the following form:

"I do solemnly swear true faith and allegiance to the Constitution of the Irish Free State as by law established, and that I will be faithful to his Majesty King George V. and his heirs and successors by law, in virtue of the common citizenship of Ireland with Great Britain and her adherents and to membership of the group of nations forming the British Commonwealth of Nations."

Article V.

The Irish Free State shall assume liability for service of the public debt of the United Kingdom as existing at the date thereof and toward the payment of war pensions as existing on that date in such proportion as may be fair and equitable, having regard for any just claims on the part of Ireland by way of setoff or counter claim, the amount of such sums being determined, in default of agreement, by the arbitration of one or more independent persons being citizens of the British Empire.

Article VI.

Until an arrangement has been made between the British and Irish Governments whereby the Irish Free State undertakes her own coastal defence, defence by sea of Great Britain and Ireland shall be undertaken by his Majesty's Imperial forces, but this shall not prevent the construction or maintenance by the Government of the Irish Free State of such vessels as are necessary for the protection of the revenue or the fisheries. The foregoing provisions of this article shall be reviewed at a conference of representatives of the British and Irish Governments to be held at the expiration of five years from the date hereof with a view to the undertaking by Ireland of a share in her own coastal defence.

Article VII.

The Government of the Irish Free State shall afford to his Majesty's Imperial force (a) in time of peace such harbor and other facilities as are indicated in the annex hereto, or such other facilities as may from time to time be agreed between the British Government and the Government of the Irish Free State, and (b) in time of war or of strained relations with a foreign Power such harbor and other facilities as the British Government may require for the purposes of such defence, as aforesaid.

Article VIII.

With a view to securing observance of the principle of international limitation of armaments, if the Government of the Irish Free State establishes and maintains a military defence force the establishment thereof shall not exceed in size such proportion of the military establishments maintained in Great Britain as that which the population of Ireland bears to the population of Great Britain.

Article IX.

The ports of Great Britain and the Irish Free State shall be freely open

to the ships of the other country on the payment of the customary port and other dues.

Article X.

The Government of the Irish Free State agrees to pay fair compensation, on terms not less favorable than those accorded by the act of 1920, to judges, officials, members of the police forces and other public servants who are discharged by it or who retire in consequence of the change of government effected in pursuance of the heretofore paragraph:

Provided that this agreement shall not apply to members of the auxiliary police force or persons recruited in Great Britain for the Royal Irish Constabulary during the two years next preceding the date hereof. The British Government will assume responsibility for such compensation as pensions as may be payable to any of these excepted persons.

Article XI.

Until the expiration of one month from the passing of the act of Parliament for the ratification of this instrument the powers of the Parliament and Government of the Irish Free State shall not be exercisable as respects northern Ireland, and the provisions of the Government of Ireland act of 1920 shall so far as they relate to northern Ireland remain of full force and effect, and no election shall be held for the return of members to serve in the Parliament of the Irish Free State for the constituencies of northern Ireland unless a resolution is passed by both Houses of Parliament of northern Ireland in favor of holding such elections before the end of said month.

Article XII.

If before the expiration of said month an address is presented to his Majesty by both Houses of Parliament of northern Ireland to that effect, the powers of the Parliament and Government of the Irish Free State shall no longer extend to northern Ireland, and the privileges of the Government of Ireland act of 1920 and the provisions of the Government of Ireland act of 1920 shall so far as they relate to northern Ireland continue to be of full force and effect, and this instrument shall have effect, subject to the necessary modifications:

Provided that if such an address is so presented a commission consisting of three persons, one to be appointed by the Government of the Irish Free State, one to be appointed by the Government of northern Ireland and one who shall be chairman, shall determine in accordance with the wishes of the inhabitants, so far as may be compatible with economic and geographic conditions, the boundaries between northern Ireland and the rest of Ireland, and for the purposes of the Government of Ireland act of 1920 and of this instrument the boundary of northern Ireland shall be such as may be determined by such commission.

Article XIII.

For the purpose of the last foregoing article the powers of the Parliament of Southern Ireland under the Government of Ireland act of 1920, to elect members of the Council of Ireland, shall, after the Parliament of the Irish Free State is constituted, be exercised by that Parliament.

Article XIV.

After the expiration of said month, if no such address as mentioned in Article XII. hereof is presented, the Parliament of the Government of Northern Ireland shall continue to exercise as respects Northern Ireland the powers conferred upon them by the Government of Ireland act of 1920, but the Parliament of the Government of the Irish Free State shall in Northern Ireland have in relation to matters, in respect of which the Parliament of Northern Ireland has not the power to make laws under that act (including matters which, under said act, are within the jurisdiction of the Council of Ireland), the same powers as in the rest of Ireland, subject to such other provisions as may be agreed to in the manner hereinafter appearing.

Article XV.

At any time after the date hereof the Government of northern Ireland and the provisional Government of southern Ireland, hereinafter constituted, may be met for the purpose of discussing provisions, subject to which the last of the foregoing article is to operate in the event of no such address as is therein mentioned and presented, and those provisions may include: (A) safeguards with regard to patronage in northern Ireland, (B) safeguards with regard to the collection of revenue in northern Ireland, (C) safeguards with regard to import and export duties affecting the trade and industry of northern Ireland, (D) safeguards for the minorities in northern Ireland, (E) settlement of financial relations between northern Ireland and the

Irish Free State, (F) establishment and powers of a local militia in northern Ireland and the relation of the defence forces of the Irish Free State and of northern Ireland respectively, and if at any such meeting provisions are agreed to the same shall have effect as if they were included amongst the provisions subject to which the powers of Parliament and of the Government of the Irish Free State are to be exercisable in northern Ireland under Article XIV. hereof.

Article XVI.

Neither the Parliament of the Irish Free State nor the Parliament of northern Ireland shall make any law so as to either directly or indirectly endow any religion or prohibit or restrict the free exercise thereof or give any preference or impose any disability on the account of religious belief or religious status, or affect prejudicially the right of any child to attend school receiving public money, without attending the religious instruction of the school, or make any discrimination as respects State aid between schools under the management of the different religious denominations, or divert from any religious denomination or any educational institution any of its property except for public utility purposes and on the payment of compensation.

Article XVII.

By way of provisional arrangement for the administration of southern Ireland during the interval which must elapse between the date hereof and the constitution of a Parliament and a government, of the Irish Free State in accordance therewith, steps shall be taken forthwith for summoning a meeting of the members of Parliament elected for the constituencies in southern Ireland since the passing of the Government of Ireland act of 1920 and constituting a provisional government. And the British Government shall take steps necessary to transfer to such provisional government the powers and machinery requisite for the discharge of its duties, provided that every member of such provisional government shall have signed, writing his or her acceptance of this instrument. But this arrangement shall not continue in force beyond the expiration of twelve months from the date hereof.

Article XVIII.

This instrument shall be submitted forthwith by his Majesty's Government for the approval of Parliament and by the Irish signatories to a meeting summoned for the purpose of members elected to sit in the House of Commons of southern Ireland, and if approved, it shall be ratified by the necessary legislation.

On behalf of the British Delegation:

LOYD GEORGE,
ARTHUR CHAMBERLAIN,
FRANKLAND,
WINSTON CHURCHILL,
WORTHINGTON EVANS,
HAMAR GREENWOOD,
GORDON HENRY.

On behalf of the Irish Delegation:

ART. OF GARRITY,
(Arthur Griffith),
MICHAEL O. O. SULLIVAN,
(Michael Collins),
ROBERT BARTON,
(Robert C. Barton),
E. S. DUGAN,
(Eamon J. DUGAN),
SEORSA GHARAIN U DUBHATHAIR,
(George GAVAN DUFFY),
Dated the 6th of December, 1921.

An annex is attached to the treaty. Clause 1 specifies that Admiralty property and rights at the Rock of Lough and at the harbor of Berahave are to be retained as at present date and the harbor defenses and facilities for coastal defense by sea at Queenstown, Belfast, Lough and Loughswilly to remain under British care, provision being made for oil, fuel and storage.

Clause 2 provides that a convention shall be made between the two Governments to give effect to the following conditions: That submarine cables shall not be landed or wireless stations or communication with places outside of Ireland established except by agreement with the British Government, that existing cable rights and wireless concessions shall not be withdrawn except by agreement with the British Government, and that the British Government shall be entitled to land additional submarine cables or establish additional wireless stations for communication with places outside of Ireland, that lighthouses, buoys, beacons, etc., shall be maintained by the Irish Government and not be removed or added to except by agreement with the British Government; that signal stations shall be closed down and left in charge of care and maintenance parties, the Government of the Irish Free State being offered the option of taking them over and working them for commercial purposes, subject to Admiralty inspection and guaranteeing the upkeep of existing telegraphic communication therewith.

Clause 3 provides that a convention shall be made between the two Governments for the regulation of civil communication by air.

"SALLY." Mat. 7-9, 50c. to \$2.50.

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